

## Message Text

CONFIDENTIAL

PAGE 01 BEIRUT 03109 301458Z  
ACTION XMB-04

INFO OCT-01 NEA-10 ISO-00 EB-07 SP-02 L-03 CIAE-00  
INR-07 NSAE-00 OMB-01 TRSE-00 AID-05 IGA-02 /042 W  
-----009120 301625Z /41  
R 301415Z JUN 77  
FM AMEMBASSY BEIRUT  
TO SECSTATE WASHDC 4431

C O N F I D E N T I A L BEIRUT 3109

DEPT ALSO PASS AID AND EXIMBANK

E.O. 11652: GDS  
TAGS: ECON ECRE EFIN OTRA LE  
SUBJ: EXIMBANK VISITORS MEET WITH FINANCE MINISTER FARID  
RAPHAEL

REF: BEIRUT 3018

1. ON JUNE 27 VISITING EXIMBANK OFFICIALS MORAN, HAMMOND, AND  
DONEGAN MET WITH FINANCE MINISTER FARID RAPHAEL, WHO OFFERED  
FOLLOWING COMMENTS.

2. THERE HAS BEEN INCREASE OF LL ONE BILLION IN DEPOSITS  
SINCE REOPENING OF COMMERCIAL BANKS IN LEBANON ON JAN 17, 1977.  
THIS "EXCESSIVE LIQUIDITY" RESULTS FROM BUSINESS "STAGNATION."

3. "STAGNATION," IN TURN, RESULTS IN PART FROM CONTINUING  
DEMANDS OF SOME BUSINESSMEN THAT GOL DECLARE A MORATORIUM ON  
THEIR DEBTS TO COMMERCIAL BANKS. BUT GOVERNMENT WILL NOT  
ACQUIESCE TO SUCH DEMANDS; IT WILL CONTINUE TO INSIST THAT  
PEOPLE HONOR THEIR OBLIGATIONS, AND THAT BANKS AND CLIENTS WORK  
OUT THEIR PROBLEMS TOGETHER. THERE IS SPECIAL LAW ON BOOKS,  
HOWEVER, PROVIDING FOR JUDICIALLY REGULATED RESCHEDULING  
AGREEMENTS ("CONCORDATS PREVENTIFS").

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4. RAPHAEL ALSO SAID CENTRAL BANK HAS AGREED TO  
EXTEND SPECIAL LINES OF CREDIT TO COMMERCIAL BANKS WHO  
WOULD IN TURN RE-LEND MONEY TO DAMAGED OR DESTROYED  
BUSINESSES FOR REPAIR OR RECONSTRUCTION. MAXIMUM  
INTEREST WOULD BE FIVE PERCENT, AND MAXIMUM REPAYMENT  
PERIOD FIVE YEARS. FEW CLIENTS HAVE ASKED FOR THIS  
FACILITY, HOWEVER, BECAUSE THEY HAVE FOUND SECURITY

REQUIREMENTS TOO HIGH.

PARKER

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** FINANCE, ECONOMIC CONDITIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
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**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977BEIRUT03109  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770234-0034  
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**Office:** ACTION XMB  
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**Original Handling Restrictions:** n/a  
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**Reference:** 77 BEIRUT 3018  
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**Review Action:** RELEASED, APPROVED  
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**Review Event:**  
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**Review Release Date:** n/a  
**Review Release Event:** n/a  
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**Review Withdrawn Fields:** n/a  
**SAS ID:** 2125245  
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**Subject:** EXIMBANK VISITORS MEET WITH FINANCE MINISTER FARID RAPHAEL  
**TAGS:** ECON, ECRE, EFIN, OTRA, LE, (RAPHAEL, FARID)  
**To:** STATE  
**Type:** TE  
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**Review Markings:**  
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